

United States
Environmental Protection
Agency

Communications, Education,
And Public Affairs
(1703)

1073278 - R8 SDMS



Environmental News

FOR RELEASE: FRIDAY, JANUARY 23, 1998

EPA AND ASARCO INC. SIGN LANDMARK ENVIRONMENTAL AGREEMENT; AFFECTS 38 ASARCO PLANTS NATIONWIDE

Company to Pay \$6.38M in Penalties; Over \$50M in Environmental Benefits

Lauren Mical 202-260-4358

In a precedent setting settlement, the U.S. Environmental Protection Agency today announced that it has reached an agreement with ASARCO Inc. that requires the national mining and smelting company to invest in excess of \$50 million for environmental cleanup and to correct alleged hazardous waste and water violations at two of its facilities in Montana and Arizona. This agreement also marks the first time that a company has agreed to establish a court-enforced environmental management system that is applicable at all of its active facilities nationwide. In ASARCO's case, the environmental management system covers 38 operating facilities with over 6,000 employees in seven states.

The national agreement is also the first for which the federal government has entered into a consolidated settlement that resolves violations of different environmental statutes at more than one of a company's facilities. It is contained in two consent decrees being lodged today in federal district courts in Montana and Arizona. Under these two decrees, ASARCO will pay a total of \$6.38 million in penalties -- \$1.5 of which will be paid to the state of Arizona -- and will expend over \$50 million to reduce releases to groundwater and surface water of heavy metals, such as arsenic, a known human carcinogen, and mercury and lead, which can be toxic to both humans and wildlife. Cleanup at the Montana operation, the largest ever undertaken by a mining and smelting company under RCRA, will address the environmental damage resulting from 100 years of smelting activities.

This is an innovative and comprehensive settlement that is designed to produce fundamentally new ways to protect public health and the environment," said EPA Administrator Carol M. Browner. "It requires ASARCO to carry out its environmental responsibility to correct current violations and remedy harm to the environment. This settlement should serve as a model for other companies in addressing their environmental responsibilities."

-2-

The United States had alleged that ASARCO's East Helena, Mont., facility violated the Clean Water Act (CWA) by illegally discharging industrial waste water without a permit, and violated the Resource Conservation and Recovery Act (RCRA) by illegally storing, treating and disposing of certain hazardous wastes. In the second matter, the United States and the state of Arizona alleged unauthorized discharges under the CWA at ASARCO's Ray Mine Complex near Kelvin, Ariz., inadequate storm water containment and violations of state surface water quality standards.

Nationally, ASARCO has committed to improve its environmental controls by implementing an internal environmental management system to identify and correct the root causes of the company's alleged non-compliance. This comprehensive system will be applied at all of ASARCO's operating facilities nationwide and be subject to supervision by the federal district court. The environmental management system will include annual reporting to EPA of hazardous waste spills, permit exceedances, toxic and pollutant releases, as well as reporting on recycling programs, and water and energy use. Over 6,000 ASARCO employees will be trained in environmental compliance.

In addition to a facility-wide cleanup at the East Helena smelter, ASARCO has agreed to develop and use criteria to limit the types of materials it can use nationwide in its smelting process. Because these materials may contain hazardous ingredients such as mercury, cadmium and arsenic, the practical effect of these limitations will be reduced hazardous emissions from four ASARCO smelters. Although the parties disagree on the legal status of certain of these materials, ASARCO has agreed to manage them in the most environmentally protective manner required under the law. The company has also agreed to undertake a supplemental environmental project to restore a wetlands near the smelter. This project will restore diverse, native riparian and upland vegetation along the shorelines of several ponds at the facility.

At the Ray Mine complex in Arizona, ASARCO will implement an extensive work plan to control illegal water discharges from its 6,100 acre open-pit copper mine and ore-processing facility. Heavy metals in the discharges have been contaminating Mineral Creek, which flows through the site. In addition, ASARCO has agreed to expand its storm-water containment system.

The state of Arizona participated in the settlement negotiations as a co-plaintiff in the Ray Mine action. The effective state/federal partnership, based upon the United States' jurisdiction over surface water and Arizona's regulation of groundwater, permitted the parties to achieve comprehensive water quality protections at the site which will result in restoration of the water quality in Mineral Creek and protect downstream fisheries in the Gila River.